

UNITED STATES DEPARTMENT OF AGRICULTURE  
Extension Service  
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MAKING A GRAIN MARKETING PROGRAM EFFECTIVE 1/

Foreword

This report is written primarily for extension workers engaged in various phases of grain marketing education and particularly workers who have recently assumed these responsibilities. This is not an appraisal of the work done in the States, but selected activities are described so that readers may obtain ideas and suggestions from these examples.

While the national grain marketing system is highly organized, there are variations in the development of the system. The marketing problems in a particular area depend on the stage of development, as well as the local problems resulting from changes in production. Quality and storage problems are usually met first and, later, pricing problems come to the fore, and finally the efficiency of the marketing organization is considered. A review of the various extension activities conducted in the grain marketing field shows that at the present time there is considerable attention being paid to grain drying, training programs for elevator managers, the problems of grain sanitation involving insect and rodent control, analysis of grain prices, analysis of business organizations, work with 4-H Club leaders, evaluation of progress made and plans for the future, the marketing of crop seeds, and radio and television programs. Examples of activities in these various fields are given to indicate the different educational approaches to marketing problems. It is suggested that the reader correspond directly with the States involved for more details of the program. Extension workers in the Land Grant Colleges who have been active in grain marketing work are given on page 22. It is recognized that many activities discussed in this report were carried on in States other than those mentioned. However, to include a report from every State engaged in these activities would result in unnecessary duplication and length.

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## INTRODUCTION

"Extension's objective in the field of grain marketing is to raise the level of efficiency with which grain and grain products are distributed from farm to consumer" and (1) to aid farmers in understanding the details of the market and adapting their production and marketing procedures to the demands, and (2) to aid grain handlers in becoming better informed concerning marketing conditions and more efficient in performing these services to the end that grain may move more smoothly through distribution channels with less waste, less decline in quality, and lower cost; thus benefiting consumers, handlers, and producers of grain, and (3) to aid grain consumers in becoming more discriminating and more skillful in buying and using grain.

## TRAINING PROGRAMS

To most students of the subject the first problem in grain marketing is education and training. This includes help to the State marketing specialists, county agents, country dealers and the producers. There are a number of educational programs which are meeting these needs. By means of regional marketing conferences, the Federal Extension Service and the States are providing training workshops for State grain marketing specialists. For a number of years the Chicago Board of Trade has provided some grain marketing specialists and college workers in marketing a symposium at which marketing problems and market organizations are discussed. Other grain markets have conducted tours for county agents and producers during which the operations of the market system are explained. An interesting example of self training is reported from Indiana where the marketing specialist worked for a week in a country elevator so that he might become familiar with its operations. Many of the State marketing specialists organized tours for county agents at which they visit some industry or some terminal grain market. The States that have conducted successful tours of this kind include Minnesota, Michigan, and Illinois, to mention only a few. Occasionally the marketing specialist is able to appear at county agent meetings and assist in developing a program. The following is taken from the Texas report:

"Five District meetings of county agricultural agents were held during the month of August in order to present the Wheat Marketing Program worked up by the Wheat Marketing Specialist at which some 104 county agents, agricultural specialists, and District Agents attended. The program of wheat marketing was thoroughly discussed and concrete suggestions were made to bring the county agents into the program on a county basis. In addition to various grain grading and overall marketing problems discussed by the Wheat Marketing Specialist, discussions were led by other specialists, namely; (1) Extension Entomologist, discussing stored grain insects and their control, (2) Extension Agricultural Engineer, discussing proper farm storage, and (3) the Regional Wheat Marketing Specialist, discussing the overall coordinated Inter-State Wheat Marketing Program."



GRAIN GRADING SCHOOLS

Many of our marketing problems have their roots in the production field. The encouragement of acceptable varieties and the protection of grain from disease, insects and rodents all lead to improving grain quality. It is not enough to stop there, but we should follow the marketing process through to completion. One of the links between quality production and the prices received for quality production is the system of grades and standards, which has been part of the grain marketing system for nearly 100 years. Since 1935 the Federal Extension Office, in cooperation with the Grain Branch of the Production and Marketing Administration, has assisted the States in this educational work on grades and standards and in most of the surplus grain producing States some form of training meetings and grain grading schools have been conducted for country grain elevator operators for many years.

The Northwest Crop Improvement Association at Minneapolis and the Pacific Northwest Crop Improvement Association at Walla Walla, Washington, and many State grain dealer associations have cooperated with the Extension Service and with the Grain Branch of PMA in these training meetings.

These grading schools have been conducted long enough so that a standard pattern for the operation of the schools is now possible and this was included under the heading "Ideas For Making a Grain Grading School Effective" in the report by the North Central States Extension Workshop held at Ames, Iowa, October 1-5, 1951. The title of the conference report is "Doing The Educational Job in Marketing." Oklahoma has taken part of the report on ideas on grading schools and re-written it so that it can be used by county agents in Oklahoma. The Oklahoma mimeograph is entitled "Ideas For Carrying Out An Effective Grain Marketing Program For Use Of County Agents." Topic headings are:

- Idea No. 1: Making The First Move.
- Idea No. 2: Mountains and Mole Hills.
- Idea No. 3: Get Everybody in on the Ground Floor.
- Idea No. 4: Know Your Grain Trade Personally.
- Idea No. 5: Give the Local Folks the Reins.
- Idea No. 6: Work With Existing Groups.
- Idea No. 7: What Can The Grain Marketing Specialist Do?
- Idea No. 8: Take the Information to the Place it is Needed.
- Idea No. 9: What Are a Few of the Grain Marketing Problems or Programs in Oklahoma?
- Idea No. 10: Suggested Calendar for County Agents in Organizing a Grain Grading School.
- Idea No. 11: Following a Similar Plan as Outlined Above With Adaptations to Meet Other Local Situations.
- Idea No. 12: Make More Programs a Cooperative Undertaking.
- Idea No. 13: Some Methods of Procedure on a Few Grain Marketing Programs.
- Idea No. 14: Educational Work With Consumers.
- Idea No. 15: The Evaluation of Methods.



The following report from Missouri outlines the possibilities of elevator operator training schools:

"Four hundred seventy-three elevator operators and grain buyers, representing about half the total in Missouri, received assistance on the grading, handling, storing, and marketing of grains as a result of the grain marketing program this year. Four District grain schools were held in May for small grain buyers at St. Louis, Carthage, Kansas City, and St. Joseph.

'The grain grading school continued to be the most important vehicle for taking the entire Extension grain marketing program to primary buyers. In addition to analytical practices in grading, other topics such as "Weed Control", "Care and Repair of Elevator Equipment", "Insect Control in Stored Grains", "Accident Prevention at Elevators", "Margins for Country Buyers" and other practices which affect the market price and quality of grain were discussed. An example of the type of information discussed is the paper given at the Carthage school by J. J. Lynch, of the Uhlman Grain Company, of Kansas City, entitled "How we Market the Farmers' Grain." This paper was reproduced and mailed to all county agents in Missouri.

'Problems associated with the production of high quality soft wheat continue to receive the most attention. About one-half of the wheat acreage in Missouri is planted to Pawnee, a hard variety which in most years when grown in this State is not acceptable to millers of either hard or soft wheat flours. Many country buyers think that the acreage of Pawnee has reached its peak and will be gradually replaced by desirable soft varieties. Two such varieties, Vigo and Royal, are increasing in popularity among growers. However, grain inspectors in St. Louis report a decided decrease in the carlot receipts of mixed wheat in 1951. This would indicate that country buyers and elevator operators are more careful to prevent the mixing of types at country points.

'Soybean grading schools were expanded to four this year and covered the Eastern half of the State where 90 percent of the acreage is located. The 83 buyers who attended the schools will buy more than half of the Missouri 1951 crop. Emphasis was placed upon buying according to Federal Standards with premiums for quality being passed to the producer. Conditioning soybeans for safe storage, and the improvement of quality in export soybeans came in for attention. Considerable improvement was noticed in marketing practices and drying and storage facilities have been greatly expanded.

'Assisting in these schools were the Federal Extension Marketing Specialist, Boards of Trade, State Grain Inspectors, Federal Supervisors, and producer groups.



'The M. F. A. Cooperative Grain and Feed Company of St. Joseph and the Producers Grain Commission Company of St. Louis financed the printing of Grading charts for all types of wheat, oats, corn and soybeans. These charts were distributed to buyers at all country points. Several buyers reported that these charts when posted in a visible place in the grading room, served as a ready reference and saved much time in the grading process."

(The originals of these grade charts were prepared in the Federal Extension Office and glossy prints are available to any State that wishes to reproduce them if they will write the Federal Grain Marketing Specialist at Chicago. See also publications, page 21.

That the grain grading school training can be carried further to producers is indicated in the Illinois report. There the county agents working with grain dealers in the county carried the program to farmers. An excerpt from the Illinois report follows:

"There were county meetings called by the farm advisor, but planned and carried out with the aid of grain dealers within each county. They were held in southern Illinois counties, where marketing of soybeans and corn has increased in recent years.

'The grain dealers demonstrated use of grading equipment, discussed price discounts, outlets for grain, and problems of storage, boxcars, etc.

'In two counties the farmers requested a follow-up meeting where we traced the steps in grain marketing, outlining the services performed by each agency and the relationship between the cash and futures market.

'The value of meetings of this nature is not measurable in exact terms, but we believe they have a real possibility as a means of improving quality in grains and helping the producer to make a better choice of markets and time of sale."

#### GRAIN PRICE STUDIES

One extension worker has said "Stick with the farmer until he gets his money."

The next step from a quality marketing program on the basis of grade and standards is a study of the prices which are received for the various grades. Unless the prices reflect differences in quality the whole program of quality improvement and marketing on grade and standards falls down. Quite often in the grain marketing system the miller is willing to pay a premium for desirable qualities which he wants and the producer is willing and able to make these grades available to the first purchaser. However, something happens in the system between the producer and the consumer which prevents the reflection of this premium to the producer. We should look on the marketing system as a service agency and see if it would not be possible to deliver to the ultimate consumer those grades and qualities



which he is willing to pay for. No grain marketing program goes very far without a need for information on the premiums and discounts paid at the terminal markets for various grades. These premiums and discounts are not fixed, but vary with the supply and demand factors. Some States have a nearby terminal grain market at which personal observation can be made of this premium and discount factor. Some of this information can be obtained through newspapers, such as the Chicago edition of the Wall Street Journal, and some of the information can be obtained by regional workers who secure this information for several States as is being done by Mr. Granstaff for a number of hard red winter wheat States.

The Agricultural Marketing Act (Title II) is furnishing funds for some research material which will be available for grain marketing people and which should be of great value to them in the price field. A preliminary report from Kansas entitled "Wheat Price Differentials by Areas" indicates price differences among areas in Kansas during the current study. The differentials varied with protein content and time of the marketing season. The studies were based on No. 1 wheat identical in all grade factors in each area. Prices were calculated on Kansas City basis.

One issue of Grain Gleanings in Montana is devoted to grain storage and marketing of wheat on a protein basis.

The North Carolina extension grain marketing specialist comes up with an interesting study on the grain marketing situation in that State. The 17-page mimeograph covers the grain production and distribution in North Carolina from 1929 to 1950 and lists the grain marketing facilities now available, such as commercial grain dryers and storage capacities. The current study shows that 62.2 percent of the wheat raised in North Carolina was sold off the farm, while the comparable figure for corn was only 17 percent. In 1950, 89 percent of the soybeans were sold off the farm and only 22 percent of the oats. These figures were obtained from the State statistician. The report concluded that the present storage facilities for about 5 million bushels of grain are not adequate to handle the 26 million or more bushels of grain shipped into the marketing channels. A discussion of the farm loan program is covered and a chapter on construction of commercial storage facilities include recommended practices, necessary practices, financing and management of storage facilities, their location, business practices and the type of organization. Charts are given to show the average monthly price per bushel in North Carolina for the various grains compared with the monthly storage cost. This analysis of the situation was provided each county agent and assistant agent in all the counties. The material served as a briefing for the agents concerning price trends, production, costs of storage, and probable results of storage. It has led to considerable increase in the interest of agents in grain marketing. Two things have resulted. First, a realization by agents and farmers of the magnitude of the grain marketing problems, and second, accelerated efforts by owners of existing storage facilities to enlarge storage capacities. The basic information developed has assisted the specialist in discussions with several large grain companies. These companies have recently built and leased considerable grain storage capacities in North Carolina.



## GRAIN SANITATION PROGRAM

The Cooperative Extension Service has had an insect and rodent control program at the farm level for many years. As each new insecticide or poison was developed information on how to use it was prepared and disseminated to farm people. In the fall of 1950 a small group of extension marketing specialists met with the secretaries of the State Grain Dealer Associations at Kansas City and among other things discussed were the implications of the Food and Drug program as it applies to country grain elevators. The State and national grain trade organizations began issuing formal reports to grain dealers as research by the Food and Drug Administration developed. In some of the States the subject of grain sanitation was carried beyond the farm level to country grain dealers and in most of the grain States educational material was issued on such subjects as use of "warfarin" for the control of rats and mice, how to protect farm stored wheat from insect contamination, how to fumigate a wheat bin, and information on the economic losses caused by rodents and insects. With the stepped up interest in the subject the past year, Extension marketing specialists have been called on to furnish factual information and illustrative materials, and to conduct meetings with the grain dealers on the subject of grain sanitation. The Oklahoma report for 1951 contains the following:

"Eight grain insect and rodent control demonstrations were conducted. Four hundred and fifteen persons attended these demonstrations. Later some of the county agents conducted county-wide demonstrations. A poster on insect and rodent control was prepared."

The Kansas report for the same year contains the following report on the subject:

"The quality of Kansas wheat is being continually deteriorated due to the stored grain insect problem. In the last five years losses because of insects has been large and has commanded consideration in the extension program. The seriousness of weevil problems in Kansas can be best expressed by the chart on the following page. (Omitted).

"Two series of schools were held. In the first series of schools on sanitation cleanup and bin spraying, a new feature, control of rodents in grain storage, was added. Carl Regnier of the Fish and Wildlife Service made the presentation of the Rodent Control program. During the morning meeting Carl Regnier presented the economic need for control and means of controlling rodents. During the afternoon he presented demonstrations on how to trap and bait with "warfarin". This is the first time Kansas has presented a rodent control program.

"During the second series of schools on fumigation the extension engineer presented the added feature of grain drying. Facts were presented and demonstrations were held on actual grain drying. A scale model, of the Butler Manufacturing Company, was demonstrated."



Interest in the sanitation program was considerably stepped up in 1952 with an attendance of grain dealers which often exceeded the capacity of the meeting room. There were few visual aids to help the workers. However, in the Midwest States there took place an exchange of slides and posters which filled the needs, at least in part. The ingenuity of marketing specialists in devising visual aids can be illustrated by the efforts of one Oklahoma specialist who set a trap for six nights and finally caught a live rodent which was duly labeled and exhibited during the series and was a most effective visual aid in connection with the story of economic losses due to rodents. The marketing specialists have been thrust into this program with very little time for preparation, but have been most effective in organizing the program through regular extension channels so that grain dealers and producers are made aware of the Food and Drug program in grain sanitation.

### GRAIN STORAGE

The grain handling and storage system is going through an evolution, but many of the people engaged in the grain marketing system do not realize that this is so. The trend is toward mechanical handling and labor saving devices. The inefficient elevators are not able to compete with modern facilities which operate at lower cost. The large national grain handling organizations protect their risk of ownership through hedging, which is not usually done by small operators. Cheap water transportation has developed, and grain handling plants are moving where they can have access to this water transportation. The newer installations are able to load and unload the larger trucks quickly and thus have attracted truck grain from long distances, sometimes across several States. The correct location of grain storage facilities under these changing conditions needs careful study and analysis. Two examples of the work in this field follow:

The storage situation in Maryland has been the subject of conferences between the marketing specialists and the trade interests, and the Maryland report states that the over-all program in grain marketing contributed to the construction of six additional country point storages having a capacity of 230,000 bushels. Five grain driers have been installed and plans are being developed for the construction of storage of 600,000 bushels capacity for Central Maryland.

An educational campaign on avoiding glutted markets was undertaken in Iowa. Producers responded by storing 93 million bushels of soybeans which resulted in an estimated increased return to farmers of 12 to 14 million dollars. The subject of adequate storage is being considered in many States.

The marketing specialist from Arkansas sends the following summary of a study made in that State:

"During the last three months in 1950, the marketing specialist made a soybean storage study for the Rural Economics Department of the University of Arkansas. This study was summarized and the findings were presented to county agents in the counties



where soybeans are an important crop. At the Southeast District Conference held in Little Rock on March 15 and 16, and at the Northeast District Conference held in Jonesboro, Arkansas, on March 22 and 23, the marketing specialist discussed the storage study. Mimeographed material was supplied them and a discussion was given on the various conclusions drawn. Visits were made to a majority of the counties represented when the study was made, and it is believed that the information compiled was helpful to agents in working with farmers on their storage problems."

John Stephens, county agent of Crittenden county, gives the following statement in his annual report:

"Increasing storage capacity for soybeans received considerable attention during the year. Results of the study made by Clay Moore on storage and marketing of soybeans was used as a basis for the work. It is estimated that additional storage capacity in the amount of 100,000 bushels was added during the year by farmers of the county."

The use of chemicals to preserve grain in storage has been tried by farmers over a wide area. The North Dakota marketing specialist reports as follows:

"In collaborating with experiment station workers, agents were kept informed on use, limitations and possibilities of chemicals in storage of damp grain. Conferences were held with members of the grain trade, station workers, extension representatives, and mill representatives to review the latest findings of North Dakota Experiment Station, and joint statement of research workers. In brief, it has been quite well established experimentally that bicarbonates have little effect in reduction of moisture content of grain, and that any properties useful in retarding heating and mold growth in damp grain are rather temporary (disappearing after 10 to 15 days). In time, results of treated and check lots of grain are not particularly different, indicating that lay use of commercial "grain drying compounds" should be done by farmers with an awareness that no grain miracles are likely to occur, and that any seeming retardation of heat and mold growth deterioration in damp grain is likely to be very temporary in character."

#### GRAIN DRYING

Educational work with grain handlers and producers in the economics and techniques of grain drying has been carried on by the extension services in many States. All grains are involved. The work extends from rice drying in California and Louisiana across the country and includes oats drying in the State of Maine. Wet grain is recognized in most States as the number one quality problem in grain marketing. One of the outstanding publications in this field comes from Kansas as a joint publication of the extension specialist in grain marketing and the agricultural engineers. The subject is "Grain Drying, June 1951, Rural Electrification No. 12." Grain losses because of a wet harvest; needs for grain drying; the moisture content for safe storage; drying problems and their limitations; advantages and disadvantages of turning grain; various methods of drying; bin prepar-



ation needed for forced air drying; cost of drying grain; a list of recommendations to farmers and elevator operators and a list of selected references are given.

### BUSINESS ANALYSIS

One of the first marketing specialists in the country to use the business analysis approach was B. A. Wallace of Ohio. Similar studies have been conducted by his successors and Mr. K. D. Peterson made a close study of the operations of 176 grain handling plants. Mr. Peterson was succeeded by Mr. L. E. Folsom in October 1951 and continued with the study which is published as an annual report entitled "Financial Operation of Ohio Farmer Owned Elevators." The data are secured by visits with country grain elevator managers and in addition to the specific information needed for the survey, problems common to the industry are discussed. The nature of information required by management in order to perform the most efficient service in the marketing of grain and the purchasing of supplies is learned. This information is utilized in future program planning.

Business analysis of country grain elevator operators has also been undertaken in Illinois. In Indiana an analysis of feed grinding and mixing costs in country elevators was made. Valuable contacts were established with the trade while the specialists were making these surveys. The material in Minnesota Bulletin 407, "Minnesota Cooperative Elevator Survey", was useful to extension workers in that State.

A practical contribution to elevator operators was included in the Texas report under the heading "Elevator Record Keeping Project Started to Stabilize Elevator Operations", and reads as follows:

"Due to the unusually large number of country elevator operators that have become seriously involved in the shortages of grain and damaged grain, all of which could seriously affect the economy of local communities, the Wheat Marketing Specialist has initiated a study of country elevator methods of record keeping, which it is hoped will give a simplified but at the same time workable system of record keeping. Such a system will allow the operators to know at all times the exact status of their grain, including the amounts, condition and value. The primary work in this project has shown a tremendous lack of proper record keeping on the part of the country elevator dealers and the proposed project has met exceptionally good response by the dealers themselves. The results of this project will not be known for several months but it is anticipated that it will help the country elevator dealer to keep an up to the minute account of his business that will allow him a better understanding of his business and thus help ward off disastrous results as a result of grain going out of condition, shortages in stock, and large changes in the current markets."



Inventory and hedging policies of commercial mixed feed manufacturers were studied by research workers in five States and the results published in Agricultural Information Bulletin 24, September 1950. This bulletin was well received by the feed trade and requests were made to the Department to carry the information where it was needed. A regional conference was held in Buffalo, New York, in September 1951, and others are planned for several areas in the country.

This study shows that many of the feed manufacturers built up substantial stocks of a few ingredients such as soybean meal, fish meal, and alfalfa meal and some manufacturers accumulated large supplies of grain and other ingredients with resulting risks of losses through price declines. In general four methods were employed for protection against losses from price declines, as follows:

1. Limiting inventory.
2. Hedging.
3. Buying grain "on limits" or "on basis".
4. Forward sales of mixed feed.

One of the authors of this bulletin, Mr. R. A. Hieronymous, also wrote articles and gave talks before trade people on price risks in marketing soybeans, the effects of futures on grain price, and inventory management in the feed business.

#### 4-H CLUB WORK

A number of States have 4-H Club awards by local organizations in the State for grain production projects. The Aksarben small grains awards provide for free trips to the Omaha market and the Nebraska Grain Improvement Association provides for a Chicago trip to the 4-H Club Congress for the State fair winner.

The Nebraska wheat show held at Sidney is ruled over by the Nebraska Wheat Queen and her attendants. The show was viewed by 400 wheat growers and the judging of grain samples was carried on, naming regional winners in the certified seed division and the grain marketing division. The 4-H Club teams participated in the junior crop contest held in connection with the show. judging

Similar work is carried on in Texas and Kansas and in many other States. Recently through an award made by the Chicago Board of Trade the regional committee for boys and girls club work announced a grain marketing contest for 4-H Club members. Conferences were held in Chicago with the State leaders and the contest is now being sponsored in 10 States. Two gold medals in each county can be awarded and the two State winners are given a trip to Chicago. The contest is similar to any national contest except that the winners do not visit Chicago during the Club Congress, but are brought in about a month later.

State grain marketing specialists are assisting in Leader Training for 4-H grain marketing projects and the Chicago Federal Grain Extension Marketing Specialist has mimeographed "4-H Grain Grading Demonstrations."



## RADIO, T. V., AND TEACHING AIDS

Radio is an accepted Extension teaching method used in most States. The grain marketing specialist in Indiana participates in the WBAA School of the Air. Grain marketing questions submitted by listeners are answered. The College of Agriculture at Ames, Iowa, operates its own TV station and presents a great deal of economic and marketing information. Even though a TV station may not be available to you at the present time, it is desirable to consider the possibilities of future TV work and to draw charts so that they will be readable on at least a 20 inch TV screen when photographed. The demonstration method in which most Extension people are trained is the method most desirable in TV shows. Just a speech without additional visual aids is not considered very highly among TV experts. The marketing specialist in Nebraska presented TV programs on the use of more wheat flour in a new type bread being marketed in Nebraska, Kansas, and Colorado.

Mr. Granstaff, Regional Wheat Marketing Specialist, compiled an outstanding publication entitled "Wheat Varieties Commercially Important in the Hard Red Winter Wheat Area." This publication contains four pages in natural color and has been a useful teaching aid. The October 1950 report of a committee of Extension Directors entitled "Marketing Challenges the Extension Service" is also a very effective release, giving very good ideas on grain marketing work.

The Texas marketing specialist prepared an exhibit for the Tri-State fair built around the wheat entries of 4-H Clubs and FFA chapters and adult contestants. Exhibits of this kind featuring local people attract attention of farmers attending the fairs and no doubt have influenced to some degree the quality of the wheat produced for marketing.

There are some excellent slides and charts in many of the States which would be very useful if available to other States. The federal office will give more attention to the exchange of teaching aids and perhaps a list can be prepared which will be available to all States showing where outstanding examples of these visual aids can be found.

One novel idea is to use a kodachrome slide as a negative to make an enlarged black and white chart or picture. The large picture is then hand colored to bring out the essential points.

A few well selected and well designed visual aids are a necessity for effective educational work in grain marketing. A number of correctly graded illustrative samples of grain are used by most specialists. Three color slide films, with lecture notes, are available:

<u>Title</u>	<u>Price</u>
C-9 Grain Inspection Methods	\$4.00
C-10 Types of Damage	\$4.00
C-11 Wheat Classes and Varieties	\$4.50



These films may be purchased directly from Photo Lab, Inc., 3825 Georgia Avenue, NW, Washington 11, D. C. The prices quoted are for single copies of each slide film. When 10 or more copies of any one slide film are ordered, slightly lower prices are charged.

### EVALUATION

There is an important difference between reporting what has been done and the evaluation of the results. Information on the number of meetings held, attendance, requests for assistance, and scattered comments are indications of interest only and do not show what kind of a job has been done. Rather than try to give an over-all report of progress, sometimes a single "success story" concerning a single individual is effective. Such stories can be used in newspaper articles and radio releases and are especially effective with administrative and legislative groups. Some of these evaluation stories might mention the person's name, the commodity he handles, and the things he does with it, and give the reasons why the product was handled in a certain way to meet consumer demands, transportation requirements, or storage conditions. Such stories, of course, must be made as soon as possible after they happen in order to be effective. Very often the results of the education work in marketing are not apparent for a number of years and by that time the person who originated the work may have left for other fields. Perhaps we should look for examples of these results based on work by some of our predecessors.

Examples of various types of evaluation taken from the State reports are given below:

Maryland: Mr. Adam Keller, Superintendent of the Western Maryland Terminal Elevator in Baltimore reported that during the past season there was a noticeable improvement in arrivals at Baltimore which he felt could be attributed to the Grain Marketing Project. These improvements included more uniform quality in cars, more evenly loaded cars and for the first time the receipt of notice in advance of cars containing high moisture grain.

Alabama: County agents report that 13,124 farmers were assisted in selling \$4,565,000 worth of seeds and 68,435 farmers were assisted in buying seed valued at \$5,174,000.

Texas: The Texas grain marketing program has been in operation only a few months. However, the specialist reports plans for measuring the effectiveness of the program in the following statement:  
"Inasmuch as the program in Texas has not been in operation for as much as 6 months no concrete methods have been used to date to measure the effectiveness of the program in this short time. However, county agent and elevator manager reports have indicated that considerable amount of good was done in the location of seed wheat supplies and in reporting the quality of the seed wheat thus eliminating the planting of undesirable seed wheat. Requests for information on grain marketing problems and requests for the Marketing Specialist to make surveys of the wheat crop planted in the fall of 1951 indicates new interest in factors influencing the volume and



quality of wheat for market. In the future, organized surveys will be made each year to determine the progress in increasing the percentage of inherently good quality varieties of wheat that are planted. Also, surveys will be made of the amount of damaged grain in farm and elevator storage due to excessive moisture and insect infestations."

Sometimes statistics from nearby terminal grain markets are useful for measuring progress of certain quality factors. The Oklahoma report contains the following evaluation data:

Oklahoma: For comparative purposes, the table below gives the special grades from 1949 to 1951 inclusive. Survey period about 6 weeks - June 11 to July 20 - each year. Data is on number of cars received at Enid, Oklahoma:

	Total Receipts	Graded Down Because of:		
		Moisture	Dockage	Foreign Material
1949	22,478	670	3,113	175
1950	7,049	1,628	519	102
1951	5,642	2,481	785	28

It will be noted that 44 percent of the wheat marketed in the survey period in 1951 graded tough because of moisture content of more than 14.0 percent and up to and including 15.5 percent.

In every county where grain is shipped or received, evaluation studies can be made locally by examining copies of grade certificates covering the terminal market inspection of the grain handled by the elevator. This type of evaluation is quite common in the Northwest and helps to point out problem areas as well as to indicate progress in quality improvement.

Evaluation is one of the most difficult parts of the project to handle and it is also a most important one to administrators. Plans for the evaluation of a project should be determined and made a part of the original project write up.

#### GRAIN ADVISORY COMMITTEES

The Oklahoma Extension Service has a grain advisory committee representing all segments of the industry. Each county also has a marketing advisory committee composed of commodity representatives. A report of this organization in Oklahoma is given as follows:

"Contact will be made with the Oklahoma Grain Advisory Committee supplying them with a report on Extension grain marketing in 1951. Suggestions for changes and additional activities will be requested of the committee. Membership of the Oklahoma Grain Advisory Committee consists of representatives of the following organizations:



1. Mills
2. Terminal elevators
  - a. Cooperatives
  - b. Proprietary
3. Country elevators
  - a. Cooperatives
  - b. Proprietary
4. Railroads
5. Oklahoma Crop Improvement Association
6. Wheat Research Foundation
7. P. M. A.
8. Seed dealers
9. Farm Bureau
10. Farmers Union
11. Grange
12. Federal Grain Inspector
13. State Grain Inspector
14. Extension Service
15. Oklahoma Experiment Station

Generally the purpose of the Oklahoma Grain Advisory Committee is as follows:

1. To meet as a committee representing the various segments of the grain industry for the purpose of reviewing the present production and marketing of grain products in Oklahoma.
2. To review programs being conducted to improve the grain marketing situation in the State.
3. To offer suggestions and recommendations for a program that might be included in improving the production and marketing of grain in Oklahoma.

'The majority of counties in Oklahoma organized grain marketing committees in 1951.

'County Extension workers will be urged to keep these committees intact and organize committees in those counties not having a grain advisory committee.

'The purpose of the grain advisory committees is similar to those outlined above for the state grain advisory committee except that it works on a county level."

#### FIELDS OF FUTURE WORK

##### How to Start:

As many of the extension grain marketing specialists well know, it is not easy to get started in the grain marketing field. Those who have been successful have first selected a single grain and made a detailed study of how that grain is marketed, following it all the way from the producer to the ultimate user. At the same time, they have become familiar with the marketing field, have learned all they



could about the commodity, and have become personally acquainted with the grain handlers and grain processors. As the extension specialist's knowledge in the grain marketing field grows, so will his acceptability and effectiveness with the grain trade increase. During the course of this study of marketing he may find some things which should be corrected. It will do no good to make public speeches about the needed changes. This will only make the problem more difficult. The first thing to do is find someone in the trade who is willing to make the change and then work with that individual. "Save the world" programs are usually of short duration and soon forgotten. Good hard work on one spot is needed first; if the proposed change is sound it will spread. But first, it must be demonstrated that the change is a good one. This is the time honored extension demonstration method applied to marketing.

#### Working With Other People:

After we have found the practical solution of a marketing problem, then it is time to begin working with groups because that is the accepted way of conducting Extension work where it is desirable to contact many people.

There are a number of associations to which grain dealers belong. Some of them are State-wide and include all dealers and others are more limited in their membership. Attempts should be made to contact all grain dealer organizations and give them a part in the program. There are also some State and Federal officials with whom it is important to maintain contacts. These include the grain inspection departments, the officials, both State and county, in PMA that handle the price support program, vocational agriculture teachers and the teachers of veteran trainees. In most States there is one and sometimes more offices where the PMA maintains an office for the supervision of grain inspection. These Federal grain supervisors have always been most helpful to Extension people on the grain marketing educational programs in the States. This field of distributor education is most effective when the program is built around existing groups. The Extension Service can furnish effective leadership to all segments of the industry in this type educational work. (See the preceding section by grain advisory committees.)

#### Making Grain Marketing Work Permanent:

One of the most essential things to do in establishing a permanent grain marketing program is to have a well-written plan of work and keep it up-to-date. This plan, together with detailed reports of the work, should be a great help to your successor. Another help is to maintain a card index file showing names and addresses of officials of cooperating agencies, and another help is to pass out attendance cards at each meeting and to keep these filed for future reference. These cards show the man's name, post office address, the firm where he is employed, and his occupation, together with date and place of meeting he attended.

The turnover of Extension grain marketing specialists is high. Will the marketing work undertaken by the specialist continue after he leaves? No individualistic program should be built up while we are on the job. Attention should be given to training county agents and



county leaders who will carry on the grain marketing extension program on their own initiative. This has already been done in a number of States. Also, most grain marketing problems are complex and require assistance and advice from a number of people such as entomologists, engineers, production specialists, economists, accountants, and people engaged in buying, selling and handling. Of course, it would be impossible for one man to be expert in all of these fields and some of our best marketing specialists are those who can coordinate subject matter and secure assistance from the workers in a number of fields. Although a successful marketing specialist must have a good knowledge of how the job is done, he must also be an educator.

### The Regional Projects:

Most grain marketing specialists soon find that they have to go beyond State lines to complete their study and to deal effectively with important grain marketing problems. In several instances informal conferences have been held at which information was exchanged and plans for work laid out. Eight of the hard red winter wheat States have joined on a regional project on which Mr. Granstaff of the Oklahoma Extension Service spends one-half of his time. While this project is experimental, it has already demonstrated that it is possible for the Cooperative Extension Service to organize regional educational marketing projects under the direction of a committee of Extension representatives of the States involved. Other grain-producing States have expressed an interest in regional Extension grain marketing activity. Where grain production is small and the marketing problems seasonal, a regional worker might meet the needs at smaller cost. Mr. Combs of the Federal staff, with offices at Chicago, has been working on market grades and standards on a national basis for some 15 years and as far as time and funds permit he visits the States on request. However, he is not able to visit every State every year.

One of the new developments in which a regional project might fit is the continued demand for educational work on the problem of shipping point inspection. More and more grain dealers who are located long distances from terminal markets like to have the grain graded before it is shipped as a check on the terminal market grades and as information to help them in handling their shipments. Shipping point inspection helps to widen the market and reduces the hazards of ownership as it is sometimes difficult to handle settlements on grain which is hundreds of miles away from the original shipper. Shipping point inspection may not be selfsustaining at first, from the fees collected. State Departments, of Agriculture have been sponsoring this service and the State Extension Services have been sponsoring the educational programs which are necessary to insure the success of these enterprises.

### Inspection Services at Remote Points:

It often happens that a surplus of grain is produced far away from a terminal market. It is advantageous to that region if the grain can be sold on a grade and quality basis, as mentioned in the preceding paragraph. However, if official inspection is not available the



needs of the area may be met by the sample inspection service. At many points during the harvest season grain inspectors provide for official samplers to take samples of grain and send it to the inspector for grading, in which case the inspector's grade covers the lot sampled. If, however, this is not possible the producer and grain dealer can agree on a sample and send it to the inspector, in which case the official certificate covers only the sample submitted and not the lot from which it was taken. If the interested parties have agreed on the sample the transaction can be completed on the basis of the official grade.

In many instances grain dealers have the necessary grain grading equipment and the farmer and grain dealer themselves agree on the grade of the grain. Then if there are exceptional cases on which they do not agree on the grade the transaction can be settled on agreed samples as outlined above. Providing for arrangements of this kind is a marketing field in which county agents can be most helpful.

#### Length of Meetings:

A final suggestion for consideration of marketing specialists is the length of meetings. Grain marketing training programs range all the way from 2-hour sessions to 5-day schools. Some of the men reported favorably on the 2-hour meetings. They say that they get greater participation of active farmers in the shorter meetings. With limited time for discussion, the number of people on the program must necessarily be limited to about two. Sometimes when there are especially serious marketing problems it is possible to divide the instructors and cover the State in a few days by holding two or three meetings a day. This was done in Michigan when there was an especially serious problem on "sick wheat."

The location of meetings is also an important factor, depending on the group it is to serve. Sometimes a meeting in a smaller community seems to attract a larger number of people than a meeting in a larger city. This is probably due to greater distance and fear of traffic congestion and lack of parking space. The existence of problems that are generally recognized and their development are important factors in holding successful meetings.

If a farmer can get information in 5 minutes by reading a leaflet, perhaps it is better to use the mail rather than to ask him to spend a day or half day at a meeting. It is suggested that more attention be given to preparing short leaflets and letters for the use of local leaders and producers so that information on timely subjects may be available at the county agent's office upon demand.



Reference Materials Available on Request  
Write W. B. Combs, Extension Service,  
1108 Post Office Building  
Chicago 7, Illinois

1. Grain Grading Primer, Misc. Pub. 325, U.S.D.A.  
A reference for grain dealers, how grain is graded. List of addresses of grain inspector supervisors. (Rev. 1950)
2. Handbook of Official Grain Standards of the U. S.  
101 pp. illus. Production and Marketing Adm., Grain Branch, Washington, D. C.
3. Grading Soft Red Winter Wheat at Country Points. AIS 33.  
Extension Service. Folder illus.
4. Eight Steps in Grading Soybeans. AIS 34.  
Extension Service. Folder illus.
5. Seven Questions to Ask When You Buy or Sell Shelled Corn by Grade.  
AIS 32. Folder illus.
6. Six Steps in Grading Flaxseed. AWI 37.  
Extension Service. Folder illus.
7. Ten Steps in Grading Grain Sorghum. AWI 36.  
Extension Service. Folder illus.
8. Wheat Grading At Country Points.  
(For Hard Red Winter and Hard Red Spring Classes)  
AWI 86. Extension Service. Folder illus.
9. 4-H Grain Grading Demonstrations. M. p. 62.  
Extension Service. 28 pp mimeo.
10. Annual Summaries of the Grading of Carload Receipts of Grain  
by Crop Years. 1943-1950.  
  
Wheat and Rye Summary  
Corn and Grain Sorghums Summary  
Oats and Barley Summary  
Soybeans and Flaxseed Summary  
  
Prepared jointly by the Commodity Exchange Authority,  
Extension Service, and the Production and Marketing  
Administration. Shows receipts by grade at important  
markets each State. Some early years no longer avail-  
able except on loan basis.
11. Grade Charts - U.S. Standards for Grain.  
8x10 glossy prints for printer's use only, where States  
wish to duplicate the chart. Grade charts in quantities  
can be secured without charge from the Seedburo Equipment  
Co., 618-626 W. Jackson Blvd., Chicago, Ill. (Specify chart  
by title.) This company also has in preparation a series of  
lesson sheets on grain grading suitable for vocational  
agriculture teachers and county agents.



14 Charts available as follows:

- (a) Grade Requirements for Hard Red Spring Wheat.
- (b) Grade Requirements for Durum and Red Durum Wheat.
- (c) Grade Requirements for Hard Red Winter Wheat.
- (d) Grade Requirements for Soft Red Winter Wheat.
- (e) Grade Requirements for White Wheat.
- (f) Special Grade Requirements for Wheat.
- (g) Grade Requirements for Corn.
- (h) Grade Requirements for Oats.
- (i) Grade Requirements for Rye.
- (j) Grade Requirements for Barley (Class I) and Black Barley (Class II).
- (k) Grade Requirements for Western Barley.
- (l) Grade Requirements for Grain Sorghums.
- (m) Grade Requirements for Soybeans.
- (n) Grade Requirements for Flaxseed.

12. The following materials available on request to Miss Alice Haggens, Educational Director, Chicago Board of Trade, Chicago, Illinois.

Marketing Grain Through a Grain Exchange.

Hedging Highlights - Facts About Price Insurance and Speculation in the Grain Exchange (in quantity).

A Manual of Trading in Grain Futures and in Cash Grains on the Chicago Board of Trade.

13. Weekly Grain Review. Weekly Feed Review available on request to following offices of the Market Reporting Service, Production and Marketing Administration:

F. L. Lyons, 729 Appraisers Building  
630 Sansome Street  
San Francisco, California

W. R. Kuehn  
116 Federal Office Building  
Minneapolis, Minnesota

R. C. Wright  
325 U. S. Court House  
Kansas City, Missouri

C. R. Richardson  
343 U. S. Court House  
Portland 5, Oregon

14. Situation Reports, Bureau of Agricultural Economics, Washington, D. C.

- (a) Wheat Situation (includes rye).
- (b) Feed Situation (includes corn, oats and grain sorgums and barley).
- (c) Fats and Oils Situation (includes soybeans, flaxseed and cotton seed).
- (d) Fruit & Vegetable Situation (includes dry edible beans).



15. The Grain and Feed Dealers National Association, Merchants Exchange, St. Louis, Missouri, issued a weekly news letter and most State grain dealer associations issue news bulletins to their membership and will include extension grain marketing specialists on their mailing lists on request.

16. Trade Publications.

Wall Street Journal (daily). Special regional editions at San Francisco, Dallas, and Chicago. The Chicago edition reports individual sales of grain in cars, on the cash market, by grade and grade factors. Dow Jones and Company, Inc., publishers, 44 Broad Street, New York 4, N. Y. \$20 yearly. One week, 90¢.

Grain and Feed Journals consolidated (semi monthly).  
Grain and Feed Journals Consolidated, Inc., publisher,  
141 W. Jackson Blvd., Chicago 4, Illinois. \$4 yearly.

Grain and Feed Review (monthly). Managle Publishing Co.,  
404 S. Third Street, Minneapolis 15, Minnesota. \$2 yearly.

Many others. For regional coverage see Feed, Grain and Hay and Milling. Flour and Cereal in the Directory of Newspapers and Periodicals. N. W. Ayer and Sons, Philadelphia.



STATE EXTENSION WORKERS ACTIVE IN GRAIN MARKETING WORK

<u>Alabama</u> Ralph R. Jones	<u>Massachusetts</u> E. W. Bell	<u>South Carolina</u> J. E. Youngblood
<u>Arizona</u> T. M. Stubblefield	<u>Michigan</u> C. E. Prentice	<u>South Dakota</u> L. M. Bender
<u>Arkansas</u> C. R. Moore	<u>Minnesota</u> H. C. Pederson	<u>Tennessee</u> A. L. Jerdan
<u>California</u> G. B. Alcorn	<u>Mississippi</u> Charles L. Cary	<u>Texas</u> Frederic T. Dines
<u>Colorado</u> S. A. Bice	<u>Missouri</u> J. M. Ragsdale	<u>Utah</u> Morris H. Taylor
<u>Connecticut</u> P. L. Putnam	<u>Nebraska</u> Leslie Sheffield	<u>Vermont</u> T. M. Adams
<u>Delaware</u> W. T. McAllister	<u>Montana</u> Bruce L. Brooks	<u>Virginia</u> H. M. Love
<u>Florida</u> E. W. Cake	<u>Nevada</u> Howard Mason	<u>Washington</u> Karl Hobson
<u>Georgia</u> C. G. Garner	<u>New Hampshire</u> M. F. Abell	<u>West Virginia</u> R. S. Boal
<u>Idaho</u> R. W. Wilcox	<u>New Jersey</u> Frank V. Beck	<u>Wisconsin</u> John Kross
<u>Illinois</u> L. F. Stice	<u>New Mexico</u> C. R. Keaton	<u>Wyoming</u> Earl Moncur
<u>Indiana</u> J. C. Bottum	<u>New York</u> M. C. Bond	<u>Alaska</u> Irving W. Abbott
<u>Iowa</u> Richard Phillips	<u>North Carolina</u> John M. Curtis	<u>Hawaii</u> Ralph C. Elliott
<u>Kansas</u> N. V. Whitehair	<u>North Dakota</u> H. W. Herbison	<u>Puerto Rico</u> Luis A. Suares
<u>Kentucky</u> G. P. Summers	<u>Ohio</u> L. E. Folsom	
<u>Louisiana</u> R. M. Grigsby	<u>Oklahoma</u> James R. Enix	
<u>Maine</u> C. R. Eckstrom	<u>Oregon</u> Paul Carpenter	
<u>Maryland</u> J. E. Mahoney	<u>Rhode Island</u> Fred Taylor	